

QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS

PUBLIC SESSION MINUTES

February 13, 2006

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 5:00 p.m. on Monday, February 13, 2006, at the offices of the Corporation located at 30 Enterprise Drive, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island law.

The following Directors constituting a quorum were present and participated throughout the meeting as indicated: Robert Crowley, David A. Doern, Kas R. DeCarvalho, Thomas Hazlehurst, Michael E. McMahon, Anthony F. Miccolis, Jr., John A. Patterson, Sav Rebecchi, M. Paul Sams, and John G. Simpson. Absent was: Barbara Jackson.

Also present were: W. Geoffrey Grout, Managing Director, E. Jerome Batty, Secretary, members of the Corporation’s staff and members of the public.

1. CALL TO ORDER

The meeting was called to order at 5:00 p.m. by Chairman McMahon.

2. APPROVAL OF MINUTES

Mr. Patterson referred to the minutes of the January 9, 2006, Board meeting, page 3 quoted Mr. Grout as follows:

“...QDC management has no interest in establishing its own fire service for Quonset nor are we aware of any discussions or plans to do so...”

Mr. Patterson noted that for the record, the August 15, 2005 minutes of the Strategic Planning Committee made reference to QDC discussion about the possibility of looking into having its own fire department and police services.

Upon motion duly made by Mr. Doern and seconded by Mr. Crowley the Board:

VOTED: To approve the minutes of the Public Session and Executive Session meeting of January 9, 2006, as presented to the Board.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and

Mr. Simpson.

Voting against were: none.

Unanimously Approved.

3. STAFF REPORTS

A. Planning and Development Services:

Mr. King updated the Board on the proposed relocation of Davisville Road. Mr. King noted that there had been several meetings and open houses held regarding the road project. Mr. King stated that the changes that had been made to the original proposal were to shift the location of the road at least 130' from the Quonset property line and add an 8' berm, as well as landscaping the bike path to mitigate the impact of the road relocation on the neighborhood. Mr. King noted that Tab 2 had a PowerPoint based on the presentation given by David Preston of New Harbor Group at the February 1, 2006, public hearing held by the Town of North Kingstown.

Mr. Patterson thanked the staff of QDC for holding the open houses and for all of the efforts to talk and listen to the residents.

Mr. King then discussed the proposed Gateway and Commerce Park Project Master Plan. He indicated that the Design Review Committee

had reviewed the preliminary proposal. Mr. King then introduced Mr. Peter Barber, President of New Boston Development Partners LLC.

Mr. Barber noted that the presentation was the initial concept and that the proposal would continue to evolve over time.

Chairman McMahon cautioned the Board that the proposal was in its very early stages and that the process would take time. Mr. Barber repeated Chairman McMahon's comments and noted that the proposal was a concept plan at this time.

Mr. Tim Chamberlin of New Boston Development Partners LLC then reviewed the proposal with the Board.

Mr. Grout also reviewed correspondence regarding the use of building 37 by the Town of North Kingstown.

B. Managing Director's Report:

Mr. Grout called attention to Tab 3, which was the current draft of the proposed Municipal Services Agreement with the Town of North Kingstown.

4. QUONSET DEVELOPMENT CORPORATION COMMITTEE REPORTS:

A. Strategic Planning: Mr. Doern noted that the Committee was currently working on a draft strategic plan and comments from Committee members were being reviewed. Mr. Doern indicated that the plan was in its early stage of development.

B. Finance: Mr. Crowley noted that there would be a request for approval of a revised Authority Level Matrix later in the meeting. Mr. Crowley briefly discussed the results of the second quarter financials and noted that the agency was ahead of budget due primarily to greater than anticipated rental income and less expenses primarily due to open positions filled later in the fiscal year and lower expenses due to a milder than expected winter season. Mr. Crowley also indicated that discussions regarding a proposed line of credit were still pending further legal analysis.

C. Marketing: Mr. Hazlehurst noted that there was no scheduled meeting (the Committee meets quarterly) for February but that marketing efforts continued.

D. Governance: Mr. DeCarvalho noted that the Committee had reviewed the prior month's presentation regarding the Open Meetings Law and indicated that there was discussion regarding having a representative from the State Ethics Commission at a future meeting to discuss conflicts of interest. Mr. DeCarvalho indicated that at some time in the near future, possibly as soon as April, the Governance Committee would request a one hour meeting with the

Board prior to the regularly scheduled Board meeting to discuss these issues.

5. APPROVAL REQUESTS:

A. Approval of New Authority Level Matrix:

Ms. Lake briefly discussed the revised authority level matrix and indicated that the Audit-Finance Committee had reviewed and approved the matrix for approval to the Board. Mr. Miccolis asked Mr. Batty if there were any statutes indicating authority limits. Mr. Batty replied that there were no such limits in the QDC legislation but that he would check for possible limits under other RI statutes.

Chairman McMahon clarified that the new matrix did not preclude subcommittee or Board approvals but instead was the mechanism for carrying out those approvals without requiring several different signatures.

Upon motion duly made by Mr. Doern and seconded by Mr. Sams, the following vote was adopted:

VOTED: The Board hereby approves the Quonset Development Corporation Approval Authorization as set forth on Exhibit A attached hereto.

Voting in favor were: Mr. Crowley, Mr. DeCarvalho, Mr. Doern, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: None.

Unanimously approved.

B. Approval of Falvey Realty LLC Sale:

Mr. Matthews reviewed the proposed sale of 3.94 acres for a purchase price of \$675,000. The project will generate 40 new jobs, an investment of \$3,500,000 and estimated new tax base upon project completion of approximately \$52,000.

Upon motion duly made by Mr. Sams and seconded by Mr. Doern, the following vote was adopted:

VOTED: That the Corporation acting by and through its Chairman, Vice-Chair, Managing Director, or Finance Director, each of them acting singularly the "Authorized Officers" is hereby authorized to enter into, execute and deliver a Purchase and Sale Agreement and other agreements related thereto with Falvey Realty LLC. substantially, in accordance with the Request for Authorization presented to the Board (the Purchase and Sale Agreement and related documents are referred to herein collectively as the

"Agreement").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of such Agreement or as any of the Authorized Officers acting singularly or alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreement and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreement, including any and all deeds, agreements, contracts, certificates, licenses and assignments, upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the

foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

C. Approval of M & D Transportation Co. Inc. Sale:

Mr. Matthews reviewed the proposed sale of 1.76 acres for a purchase price of \$246,500. The project will generate 35 new jobs, an investment of \$350,000 and estimated new tax base upon project completion of approximately \$5,200.

Upon motion duly made by Mr. Crowley and seconded by Mr. Doern, the following vote was adopted:

VOTED: That the Corporation acting by and through its Chairman, Vice-Chair, Managing Director, or Finance Director, each of them acting singularly the "Authorized Officers" is hereby authorized to enter into, execute and deliver a Purchase and Sale Agreement and

other agreements related thereto with M & D Transportation Co. Inc. substantially, in accordance with the Request for Authorization presented to the Board (the Purchase and Sale Agreement and related documents are referred to herein collectively as the "Agreement").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of such Agreement or as any of the Authorized Officers acting singularly or alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreement and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreement, including any and all deeds, agreements, contracts, certificates, licenses and assignments, upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

D. Approval of Goldline Controls Incorporated Sale:

Mr. Matthews reviewed the proposed sale of 4.8 acres for a purchase price of \$480,000. The project will generate 30 new jobs, an investment of \$3,000,000, and estimated new tax base upon project completion of approximately \$45,000.

Upon motion duly made by Mr. Sams and seconded by Mr. Patterson, the following vote was adopted:

VOTED: That the Corporation acting by and through its Chairman, Vice-Chair, Managing Director, or Finance Director, each of them acting singularly the "Authorized Officers" is hereby authorized to enter into, execute and deliver a Purchase and Sale Agreement and other agreements related thereto with Goldline Controls Incorporated, substantially, in accordance with the Request for Authorization presented to the Board (the Purchase and Sale Agreement and related documents are referred to herein collectively as the "Agreement").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of such Agreement or as any of the Authorized Officers acting singularly or alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreement and/or all related and ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreement, including any and all deeds, agreements, contracts, certificates, licenses and assignments, upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto

as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

E. Approval of Toray Plastics (America) Inc. Sale:

Mr. Matthews reviewed the proposed sale of .7 acres for a purchase price of \$105,000. The project will generate 6 new jobs, an investment of \$17,000,000 and estimated new tax base upon project completion of approximately \$252,000.

Upon motion duly made by Mr. Sams and seconded by Mr. Hazlehurst, the following vote was adopted:

VOTED: That the Corporation acting by and through its Chairman, Vice-Chair, Managing Director, or Finance Director, each of them acting singularly the "Authorized Officers" is hereby authorized to enter into, execute and deliver a Purchase and Sale Agreement and other agreements related thereto with Toray Plastics (America) Inc., or its assignee, substantially, in accordance with the Request for Authorization presented to the Board (the Purchase and Sale Agreement and related documents are referred to herein collectively as the "Agreement").

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of such Agreement or as any of the Authorized Officers acting singularly or alone shall deem necessary, desirable and without further specific action by this Board, and on behalf of the Corporation, such Authorized Officers are hereby authorized, empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreement and/or all related and ancillary agreements and documents in connection with the terms

and conditions to be effectuated by the Agreement, including any and all deeds, agreements, contracts, certificates, licenses and assignments, upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the execution and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

F. Approval of Appointment of Community Advisory Committee:

Mr. Grout reviewed the candidates to serve on the Community Advisory Committee and indicated that Mr. DeCarvalho had met with the candidates. Mr. Miccolis questioned whether the Corporation has the authority to appoint a Community Advisory Committee.

Upon motion duly made by Mr. Sams and seconded by Mr. Doern, the following vote was adopted:

VOTED: In accordance with the authority delegated to the Quonset Development Corporation pursuant to 42-64.10-1 et. seq. and by resolution of the Economic Development Corporation, the Corporation hereby appoints the following individuals to the Community Advisory Committee:

By Statute:

Town Council President

Anthony Miccolis

32 Country Hill Lane

North Kingstown, RI 02852

401-294-2735

amic428@cox.net

Nominated by QDC Board:

Elizabeth S. Dolan
145 Cassandra Lane
North Kingstown, RI 02852
401-294-9952
matpatpete@cox.net

Karla P. Driscoll
Executive Director
North Kingstown Chamber of Commerce
8045 Post Road
North Kingstown, RI 02852
295-5566
kdriscoll@northkingstown.com

Susan Lee Miller
580 North Quidnessett Road
North Kingstown, RI 02852
401-884-2231
smiller@indexinvestor.com

George F. Warner III
388 Mourning Dove Drive
Saunderstown, RI 02874
401-295-7717
gwarner@bfmmcpa.com

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Abstaining from voting were: Mr. Miccolis and Mr. Patterson

Voting against were: none.

Approved.

G. Approval of Gateway Master Plan:

Upon motion duly made by Mr. Rebecchi and seconded by Mr. Doern, the following vote was adopted:

VOTED: That the Corporation hereby approves the Master Plan submitted by New Boston Development Partners, LLC.

Voting in favor were: Mr. Crowley, Mr. Doern, Mr. DeCarvalho, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

Mr. Patterson asked if the Board would conduct any public hearings in connection with the Master Plan and/or set aside a portion of its meetings for public comment. The general consensus of the Board was that setting aside time for public comment was not necessary and the Board would consider public comment on a specific proposal on a case by case basis.

6. MOTION TO ADJOURN TO EXECUTIVE SESSION:

Upon motion duly made by Mr. Miccolis and seconded by Mr. Crowley, the Board:

VOTED: To adjourn to Executive Session pursuant to Subsection (2) – (litigation), Subsection (5) – (Acquisition or Lease of Real Estate for public purposes or disposition of Publicly held Property) and Subsection (6) – (Location of Perspective Businesses in Rhode Island) of the RIGL §42-46-5(a) (the “Open Meetings Law”).

Voting in favor were: Mr. Crowley, Mr. DeCarvalho, Mr. Doern, Mr. Hazlehurst, Mr. Miccolis, Mr. Patterson, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

The meeting adjourned to Executive Session at 6:16 p.m. The meeting reconvened in Public Session at 7:38 p.m.

7. VOTE TO MAINTAIN MINUTES OF EXECUTIVE SESSION CLOSED:

Upon motion duly made by Mr. Rebecchi and seconded by Mr. DeCarvalho, the Board:

VOTED: Pursuant to Section 42-46-4 and 42-46-5 of the General Laws, the minutes of the Executive Session shall not be made available to the public at the next regular scheduled meeting of the Corporation because such disclosure would adversely impact ongoing negotiations.

Voting in favor were: Mr. Crowley, Mr. DeCarvalho, Mr. Doern, Mr. Hazlehurst, Mr. Rebecchi, Mr. Sams and Mr. Simpson.

Voting against were: none.

Unanimously approved.

There being no further business to come before the Board, upon motion duly made by Mr. Sams and seconded by Mr. DeCarvalho, the meeting was adjourned at 7:38 p.m.

Respectfully submitted by:

By:

E. Jerome Batty, Secretary

Exhibit A